

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF FANCY FARM WATER)
DISTRICT FOR A RATE ADJUSTMENT PURSUANT)
TO THE ALTERNATIVE RATE FILING PROCEDURE) CASE NO. 95-359
FOR SMALL UTILITIES)

O R D E R

On August 21, 1995, Fancy Farm Water District ("Fancy Farm") filed an application with the Kentucky Public Service Commission ("Commission") pursuant to 807 KAR 5:076 seeking approval to increase its tariffed water rates by 53 percent. The proposed rates would generate additional annual revenues of \$37,411.

On June 20-21, 1995, Commission Staff conducted a field review of Fancy Farm's test-period financial records. Based upon this review, Commission Staff issued a report on October 9, 1995, recommending that Fancy Farm be allowed to increase its annual operating revenues by the requested amount of \$37,411.

By Order dated October 9, 1995, the Commission advised Fancy Farm that comments on the Staff Report or requests for a public hearing must be submitted no later than October 24, 1995, or this case would stand submitted to the Commission for decision. No comments or requests for a hearing have been filed.

The Commission, after consideration of the evidence of record and being sufficiently advised, finds that:

1. The recommendations and findings contained in the Staff Report are supported by the evidence of record, are reasonable, and

are hereby adopted as the findings of the Commission in this proceeding and are incorporated by reference as if fully set out herein.

2. The rates in Appendix A, which is attached hereto and incorporated herein, are the fair, just, and reasonable rates for Fancy Farm and will produce gross annual water revenues of \$110,226. These rates will allow Fancy Farm sufficient revenues to meet its operating expenses.

IT IS THEREFORE ORDERED that:

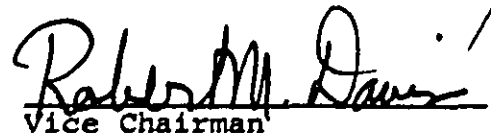
1. The rates in Appendix A are approved for service rendered by Fancy Farm on and after the date of this Order.


2. Within 30 days of the date of this Order, Fancy Farm shall file with the Commission its revised tariff setting out the rates approved herein in conformance with 807 KAR 5:011.

Done at Frankfort, Kentucky, this 9th day of November, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION
IN CASE NO. 95-359 DATED NOVEMBER 9, 1995.

The following rates and charges are prescribed for the customers in the area served by Fancy Farm Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

<u>USAGE</u>	<u>RATE</u>
First 2,000 gallons	\$9.22
Next 3,000 gallons	2.35
Next 5,000 gallons	2.24
Next 10,000 gallons	2.10
Over 20,000 gallons	1.90
 Milburn - per 1,000 gallons	 1.53